EXHIBIT 1

John Bockwoldt

From: N

Matthew Kaplan [mkaplan@cdas.com]

Sent:

Friday, September 07, 2007 3:03 PM

To:

'Mark Ingber'

Subject: RE: Lyons, et al v. Party Art Prods. et al

CONFIDENTIAL SETTLEMENT COMMUNICATION PRIVILEGED PURSUANT TO FRE 408

Dear Mark:

As we discussed, attached is a stipulation extending your clients' time to answer or respond to the complaint by 30 days.

I also enclose, on a confidential basis, the e-mail that your client Roberta Herman sent to our investigator in which she offered to provide our investigator with children's entertainment services using a counterfeit "Bob the Builder" costume and included a picture of the infringing costume.

Please call me if you have any questions.

Regards, Matt

Matthew A. Kaplan
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From: Mark Ingber [mailto:ingber.law@verizon.net]

Sent: Friday, September 07, 2007 9:57 AM

To: mkaplan@cdas.com

Subject: Lyons, et al v. Party Art Prods. et al

Hi Matt, just following up on our conversation yesterday. I'm waiting to receive the Stipulation and August 2005 emails and correspondence. Please advise asap.

Regards,

Mark J. Ingber, Esq. Ingber & Gelber, LLP www.ingberiplawyer.com

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